



New Jersey State Employment and Training Commission

Dennis M. Bone, *Chairman*

Chris Christie, *Governor*

State Employment and Training Commission (SETC) Meeting Minutes

April 3, 2014

10 am – 12 pm

New Jersey Law Center, 1 Constitution Square, New Brunswick, NJ

I. Welcome & Introductions

Chairman Dennis Bone welcomed the Commission members and the many guests in attendance to the Commission meeting. Chairman Bone noted that he was especially proud of the milestone the Commission will achieve today in terms of local WIB certification. He announced that in accordance with the Open Public Meetings Act, a notice of this meeting was submitted to the Trenton Times and Star Ledger and posted on the SETC website. Mr. Bone indicated there was a full agenda and time for public comment will be made available at the end of the agenda. Chairman Bone asked all in attendance to introduce themselves briefly. Chairman Bone then invited Dr. Aaron Fichtner, Deputy Commissioner of NJ Department of Labor and Workforce Development (LWD) to address the Commission and guests.

Dr. Fichtner thanked the WIBs for their hard work during the certification process and looked forward to partnering with them to continue providing quality services. Dr. Fichtner thanked Commission members for helping to ensure the NJ workforce system is meeting employer needs, and all the partners present for playing a critical role in moving the system forward. Dr. Fichtner also thanked Tom Dalton and the US Department of Labor (USDOL) for their support and assistance. Mr. Dalton conveyed greetings from Holly O'Brien, USDOL Regional Administrator, and discussed the historical perspective of New Jersey's local WIB certification process. He commended the effort and time spent to ensure all local WIBs are in compliance with federal and state policies and regulations. Mr. Dalton noted the good progress made by the SETC and LWD on critical issues, and was pleased that today's Commission meeting would recognize the vital efforts of the local WIBs.

Approval of Minutes

The minutes of November 26, 2013 and January 30, 2014 were introduced. The minutes of November 26, 2013 were amended to indicate Robert Wise's attendance at the State Ethics training session held that day. Nick Gacos made a motion to approve the amended November 2013 minutes and the January 2014 minutes. The motion was seconded by Melanie Willoughby and unanimously approved with no abstentions.

II. Chairman's Report

Chairman Bone provided an update on the current status of the New Jersey Pathways Leading Apprentices to a College Education (NJ PLACE) program. As of January 2014, the NJ PLACE program is being administered by the SETC. While the program is exemplary in its design, the execution fell short of established goals and the legislated mandate to make college credit available to those with previous learning through evaluated apprenticeships. It has not been discontinued but transferred from Rutgers to the SETC. The agreements and credit evaluations are in effect for those currently enrolled in NJ PLACE. This transfer does not include funding and the SETC has re-prioritized staff responsibilities to absorb the cost of the program's continuation.

NJ PLACE needs to be re-engineered to overcome the program underutilization and minimal program outcomes during the past three years. SETC Policy Analyst Maureen O'Brien-Murphy is assigned to manage student inquiries and program issues. She has managed about 30 inquiries from current and prospective students in the past three months. In addition to managing and maintaining the current program, the SETC is executing a number of initial steps to revitalize NJ PLACE, including the formation of a leadership advisory board to provide direction and governance, and building community college capacity for the program. In addition, the SETC, in partnership with LWD, will release a Notice of Grant Opportunity (NGO) for apprenticeship programs to apply for funds to have their programs evaluated or re-evaluated for college credit. This will be a competitive process with a 20% match required by the applicant. The average cost of an evaluation is \$10,000. The anticipated release date for the NGO is summer 2014.

Members discussed the current model programs and opportunities for growth in NJ PLACE. Chairman Bone indicated he was pleased that Ms. O'Brien-Murphy was shepherding this program; the Commission will discuss NJ PLACE more in the future.

SETC Councils

The SETC has two standing councils assigned to this body through legislation: the State Council for Adult Literacy and Education Services (SCALES) and the Gender Parity Council on Workforce and Education. The newly created statewide Shared Youth Vision Council also functions within the SETC. Chairman Bone reported that the work of the Commission and its councils has progressed rapidly over the past several years in response to the ever-changing workforce landscape; it is vital that the Commission and its councils have more aligned processes in order to leverage our synergies. The councils will be working with SETC staff to draft by-laws or standard operating procedures (SOPs) within the next few months. These will go through legal review and the Governance Committee. The Commission will then receive the Governance Committee's recommendations for review and adoption of the SOPs. The Gender Parity Council has already submitted their draft SOPs to the Governance Committee for review. At our next meeting in June, Andrea Karsian, as the Gender Parity Council liaison to the Commission, will make a presentation about the Gender Parity Council work plan.

III. Governance Committee

JoAnn Trezza, Governance Committee co-chair, opened the discussion of WIB certification by welcoming local WIB chairs, WIB directors, One-Stop Operators, local staff and elected officials to this meeting. She indicated our appreciation of USDOL Region 1 representative Tom Dalton joining us to celebrate this milestone. Ms. Trezza noted that this process began in February 2012 with the purpose of strengthening the workforce system by recognizing and supporting the role of local WIBs and enhancing accountability system-wide.

Jody Levinson, Governance Committee Co-chair, discussed the two-year certification process. She emphasized that the overarching goal of the certification process has been to support each WIB to receive full certification. This is an inclusive effort by Commission and the Governance Committee, to support all local WIBs. Since February 2012, the Governance Committee has regularly reviewed the WIB efforts through progress reports provided by the local areas at two different checkpoints. During that time, the Governance Committee provided regular reports to the Commission on the status of local WIB efforts. Today's packets include the Governance Committee's formal list of certification recommendations for local WIBs, and a timeline denoting events and activities over the past two years. The SETC staff have provided continuous feedback and support to local areas, and have notified the Governance Committee of any issues throughout the process. A number of resource tools and guidance documents were created specifically to assist local areas. These are listed at the end of the WIB certification application document, also in the packets. The resource materials were disseminated to local areas multiple times during this process and are made available to local area staff through the SETC website.

Recommendations

Ms. Trezza presented the Governance Committee's recommendations. Thirteen (13) WIBs are recommended for full certification, meaning they have completed all 15 items on the certification application. The Governance Committee is also recommending four (4) WIBs for conditional certification, with the items to be completed noted on the list. The four WIBs in conditional certification status have until May 15, 2014 to complete and submit the remaining items.

The certifications were reviewed individually by area. Commission members were asked to abstain from a particular vote if they sit on that local board, are receiving funds through the local procurement process, or have any other conflict of interest.

Workforce Investment Boards recommended for full recertification:

1. **Atlantic-Cape May:** Motion to approve by Melanie Willoughby, seconded by Sally Nadler. Unanimously approved with no abstentions.
2. **Burlington:** Motion to approve by Melanie Willoughby, seconded by Sally Nadler. Unanimously approved with no abstentions.
3. **Camden:** Motion to approve by Carolyn Wade, seconded by Betsy Garlatti. Unanimously approved with no abstentions.
4. **Cumberland-Salem:** Motion to approve by Sally Nadler, seconded by Melanie Willoughby. Unanimously approved with no abstentions.
5. **Essex:** Motion to approve by Teri Duda, seconded by Kevin Brown. Approved with one abstention, Julio Sabater.
6. **Gloucester:** Motion to approve by Melanie Willoughby, seconded by Stephen Hornik. Unanimously approved with no abstentions.
7. **Hudson-Jersey City:** Motion to approve by Melanie Willoughby, seconded by Sally Nadler. Approved with one abstention, Julio Sabater.
8. **Mercer:** Motion to approve by Ana Montero, seconded by Stephen Hornik. Approved with one abstention, Sally Nadler.
9. **Middlesex:** Motion to approve by Teri Duda, seconded by Stephen Hornik. Approved with one abstention, Nick Gacos.
10. **Monmouth:** Motion to approve by Brian McAndrews, seconded by Kevin Brown. Approved with one abstention, Stephen Hornik.
11. **Morris/Sussex/Warren:** Motion to approve by Tapas Sen, seconded by Dennis Bone. Unanimously approved with no abstentions.
12. **Ocean:** Motion to approve by Tapas Sen, seconded by Robert Wise. Unanimously approved with no abstentions.
13. **Union:** Motion to approve by Carolyn Wade, seconded by Sally Nadler. Approved with one abstention, Julio Sabater.

Workforce Investment Boards recommended for conditional certification, with remaining items to be completed by May 15, 2014:

1. **Bergen:** Motion to approve by Stephen Hornik, seconded by Dana Berry. Approved with one abstention, Aaron Fichtner.
2. **Greater Raritan:** Motion to approve by Betsy Garlatti, seconded by Stephen Hornik. Unanimously approved with no abstentions.
3. **Newark:** Motion to approve by Carolyn Wade, seconded by Betsy Garlatti. Approved with one abstention, Julio Sabater.
4. **Passaic:** Motion to approve by Teri Duda, seconded by Stephen Hornik. Approved with one abstention, Julio Sabater.

JoAnn Trezza and Jody Levinson closed the discussion by expressing their thanks to the WIBs for their efforts and continued dedication to New Jersey's workforce. The co-chairs also thanked Chairman Bone, Commission members, Governance Committee members, and LWD Deputy Commissioner Fichtner for his strong partnership.

IV. Local Area Recognition

Chairman Bone first acknowledged SETC Policy Analyst Sheryl Hutchison for her hard work throughout the WIB certification process. The chair and representatives from each local WIB approved for full certification were then called to accept an award certificate from Chairman Bone.

Chairman Bone opened the floor for comments. Julio Sabater congratulated all for their hard work and indicated the work completed by the local WIBs will help many people. Dr. Aaron Fichtner congratulated each of the WIB areas for their tremendous achievement and the collaborative effort of the Commission and SETC staff to get this process completed. The work of the local WIBs and the Commission will help many New Jersey residents and helps grow New Jersey business by supporting employers with workforce development needs. A group photo will be taken at the end of the meeting to memorialize this event. Chairman Bone closed by stating the 2014 WIB certification was the foundational work that will assist in better execution of the Unified State Plan.

V. Employability Skills Task Force

Chairman Bone reminded members that the Employability Skills Task Force was formed after a robust discussion of employability skills (also called soft skills) and the gaps in skills being experienced by NJ employers at the January meeting. These ideas have been discussed in Commission meetings for many years and a great opportunity is being presented. Chairman Bone asked Melanie Willoughby, task force chair, to provide an update on their work to date.

Ms. Willoughby explained why employability skills are so important to employers. Initially it seemed that job seekers lacked the technical skills to compete for job openings, but new findings indicate a greater deficiency in employability skills. These are the skills that make an employee a great asset to the company. Employers want a worker who has technical skills, but are they must get to work on time, get along with others, be self-motivated and communicate effectively. The NJ Business and Industry Association (NJBIA) surveyed 20,000 employers; they reported that about 70% of their current employees have fair to poor employability skills, in a variety of areas.

At the same time, a survey of academic institutions found that 96% of institutions feel that they are actually teaching employability skills to their students. NJBIA identified this disconnect as an area of concern and is seeking solutions. Young job seekers have challenges in finding employment due to lack of these skills and employers are firing people because they do not have the appropriate employability skills. NJBIA was excited to take on this initiative based on discussion at the last Commission meeting and Mike Metzgar's presentation of the work being done to address the employability skills gap through Raritan Valley Community College.

The Employability Skills Task Force first met in February and had a robust 2-hour discussion. Today's packets include the taskforce membership list, a description of the employability skills gap in New Jersey, and a list of stakeholder groups represented on the taskforce and how they each process the employability skills crisis. The task force will look at the issue from each stakeholder's perspective and the economic impact on the industry sectors represented in New Jersey. It is expensive for an employer to train a new employee and then realize they do not have the necessary employability skills. The employer will have to find a new candidate and implement another training process, which can be costly. The taskforce seeks to develop measurable goals for each stakeholder group. The goal over the next

three months is to develop a detailed report and a campaign strategy that will articulate the state of the employability skills crisis and a call to action. Ms. Willoughby asked the Commission members and people in attendance to get involved in the stakeholder groups. Those interested should contact Michele Boronkas.

The taskforce will next meet at the NJBIA office in Trenton on April 10th. Once the reports are finalized, the taskforce will ask the members of the commission to distribute them to all potential stakeholders in New Jersey. The task force is partnering with the Lt. Governor's office; this is recognized as a national crisis. Governors and businesses across the country are discussing the challenges we face. Ms. Willoughby pointed out that New Jersey has the appropriate people to lead the nation towards solutions. The floor was then opened for questions and comments.

Robert Wise congratulated Ms. Willoughby and NJBIA for spearheading the initiative; employability skills are crucial in the healthcare industry, since Medicare penalizes healthcare providers for poor scores in customer relations on patient satisfaction surveys. Poor employability skills will continue to have a negative impact on the hospital budgets in future. Mr. Wise noted this problem requires early intervention in the schools and through family unit. Employers and governmental agencies cannot be solely responsible for mitigating the crisis. Ms. Willoughby noted that children and families are a key stakeholder group; Sidney Battle, NJ Department of Children and Families, is leading the group.

Teri Duda noted the national certification for employability skills and indicated the importance of independent schools and colleges as stakeholders. Melanie Willoughby invited Ms. Duda to join one of the stakeholder groups.

Sally Nadler commented on the importance of this topic from PSE&G's perspective. PSE&G serves over 2.2 million customers and their employees are required to have technical skills to properly serve the public. Each employee serves as an ambassador for the company, so having the proper employability skills is critical. Ms. Nadler supports the work of the group and would like to be a part of the business and industry stakeholder group.

Dana Berry highlighted on the critical economic issues and societal values impacted by this initiative. Julio Sabater suggested that faith-based initiatives be coordinated with this effort. Michele Boronkas noted that the SETC has been engaging Edward LaPorte, the faith based representative for the state.

Daniel Frye, Executive Director of the Commission for the Blind and Visually Impaired, welcomed the initiative. One of the biggest challenges for the visually impaired population, and those with disabilities is the inability to effectively interact with the broader community. The employability skills campaign has the potential to be a useful tool to opening the door for the blind and visually impaired.

John Franklin reported that United Way of Northern New Jersey is looking at social and emotional intelligence and their connection to learning. Data indicates that if attention is paid to social and emotional intelligence, academic scores experience a 17% increase. Mr. Franklin suggested the inclusion of Rutgers University representatives in the employability skills discussion and indicated his interest to serve on the stakeholder group.

Chairman Bone closed the discussion and thanked Melanie Willoughby for her leadership.

VI. Public Comment

Tony Corsi, Hudson-Jersey City WIB Director, asked about feedback on WIB local plans. Michele Boronkas advised that this was the next item for review by the SETC and comments would be discussed at a future Commission meeting. Nils Richardson commended the SETC on the success of the WIB certification process and the employability skills initiative.

VII. Adjournment

The meeting was adjourned at 11:32 am. *Minutes submitted by Kirk Lew.*

Next SETC Meeting

Wednesday, June 25, 2014

10 am – 12 pm

NJ Law Center, One Constitution Square, New Brunswick

STATE EMPLOYMENT AND TRAINING COMMISSION MEETING ATTENDEES – APRIL 3, 2014

<u>PRESENT MEMBERS and ALTERNATES</u>	
Apgar, Dawn (for Velez)	Levinson, Jody
Berry, Dana	McAndrew, Brian
Bone, Dennis	Montero, Ana (for Constable)
Brown, Kevin	Nadler, Sally
Duda, Teri	Sabater, Julio
Fichtner, Aaron (for Wirths)	Sen, Tapas
Gacos, Nicholas	Trezza, JoAnn
Garlatti, Betsy (for Hendricks)	Wade, Carolyn
Hornik, Stephen	Willoughby, Melanie
Howard, Donald (for McNamara)	Wise, Robert
Karsian, Andrea	
<u>ABSENT MEMBERS</u>	
Brown, Michele	Nutter, Harvey
Carey, Michael	Reisser, Clifford
Donnadio, John	Stout, Bruce
Hespe, David	Wowkanech, Charles
<u>OTHER ATTENDEES</u>	
Alarcon, Isabel	Kraus, Bill
Battle, Sidney	Meehan, John
Dalton, Tom	Metzgar, Mike
Franklin, John	Richardson, Nils
Frye, Daniel	Scalia, Donna
Ielmini, Pete	Seville, Tyler
Jimenez, Anthony	Stoller, Jeff
<u>LOCAL WIB REPRESENTATIVES</u>	
Angelucci, Dan	Maddocks, John
Axelson, Earl	Mills, Beverly
Bianco, Tom	Molinelli, Tammy
Brady, Jane	Murphy, Lauren
Corsi, Tony	Oates, Corethia
DeBaere, Gregg	Okparaeke, Sam
Dickel, Karen	Patten, Jack
Gagliano, John	Rivera, Antonio
Grzella, Paul	Schaeffer, Janine
Higgins, Eileen	Schiff, Jill
Hollowell, David	Schu, Bill
Irving, Christopher	Silverman, Paul
Janz, Greg	Swartz, Jeffrey
Johnson, Hosea	Weaver, Kathy
Leahey, Pat	Weir, Barbara
Lopez, Bert	Weiss, Howard
Kahnowitz, Marcia	West, Kelly
Lowery, Rhonda	
<u>SETC STAFF</u>	
Boronkas, Michele	Hutchison, Sheryl
Davis, Lansing	Lew, Kirk
Herzog, Christina	O'Brien-Murphy, Maureen